

2017 PROPERTY TAX UPDATE



Homeowners and renters should file for their 2015 property tax refund before it expires on Aug. 15, 2017. Claims for 2016 property tax refunds can also be filed on or before Aug. 15, 2017, though they do not expire until next August.

More than 850,000 eligible homeowners and renters benefitted from property tax refunds last year in Minnesota, totaling over \$645 million in refunds sent. With an average refund of over \$840 for homeowners and over \$635 for renters, this is a valuable program for Minnesota families and we want to make sure all eligible taxpayers are taking the opportunity to claim their refunds.

The department offers tips to property tax refund filers ahead of the August deadline:

- **Find out if you qualify for a property tax refund.** Renters and homeowners that meet certain household income requirements may be eligible. Visit the Department of Revenue (DOR) website on the back to see if you qualify or type property tax refund into the Search box.
- **Direct Deposit.** Direct deposit is the most convenient way to get your refund. Make sure your banking information is active and up-to-date when filing your return.
- **Processing and timing.** During processing, the DOR verifies your identity before checking the return for errors and giving it a final review. Returns may take longer to process because of the increase in attempted refund fraud due to scams, stolen personal information, and identity theft. After they complete a final review, they release the refund to you. Do not spend your refund until you see the money in your bank account.
- **Include the right information.** Renters should include their Certificate of Rent Paid form when filing their return. This must be provided by landlord each January. Homeowners should make sure to use the information from their property tax statements issued by their county each spring.
- **Track your refund.** You can track where your property tax refund is in the process by using the DOR's improved Where's My Refund? system. The system will show you which of the four stages your refund is in and whether you need to take any action to complete the processing of your refund. You will see the date your refund was issued when it is finished processing.

Renters and Homestead Property Tax Refunds

Even if you haven't qualified for a property tax refund in the past, make sure to check the new eligibility standards.

Renters' Property Tax Refund

- Household income must be less than \$58,880 (for 2015, less than \$58,490)
- Maximum refund is \$2,060
- A minimum of 2% of household income must be paid toward property taxes to qualify for a refund
- Eligible renters may not be claimed as a dependent by another taxpayer

Homestead Property Tax Refund

- Household income must be less than \$108,660 (for 2015, less than \$107,930)
- Maximum refund is \$2,660
- A minimum of 2.5% of household income must be paid toward property taxes to qualify for a refund
- If your homestead property taxes increased more than 12% and at least \$100 from the previous year, you may qualify for a Special Refund not based on income (see reverse)

Other property tax relief assistance

PROPERTY TAXES INCREASED \$100 OR MORE?

If your homestead property taxes increased by more than 12% and at least \$100 from the previous year, you may be eligible for a Special Homestead Credit Refund. There are no income limits for this program and the maximum refund is \$1,000. The tax increase cannot be a result of home improvements and you must have owned your home on Jan. 2, 2016 and Jan. 2, 2017 to qualify.

DISABLED VETERANS AND THEIR SPOUSES

United States military veterans with service-connected disabilities of 70% or more may be eligible for a market value exclusion of up to \$150,000 on homestead property. Veterans with total, 100% and permanent service-connected disabilities may be eligible for a market value exclusion of up to \$300,000 on homestead property. New this year: Surviving spouses of 100%

disabled veterans may continue to qualify for the exclusion until they remarry, sell, transfer, or dispose of the property, rather than losing eligibility 8 years after their spouse's death. In addition, surviving spouses whose partners died after 2011 without ever applying for the exclusion may apply for the benefit within two years of the veteran's death or by June 1, 2019, whichever is later.

More information here:
www.revenue.state.mn.us and
click on "Members of the Military."

FARMERS AND AGRICULTURAL LAND OWNERS

The 2017 legislature passed a new Agricultural Bond Property Tax Credit that will reduce property taxes for some agricultural land owners. There is no need to act in order to receive this credit. If your school district has a local school debt bond levy, the state will automatically provide a credit for 40% of the property taxes linked to this local levy.

SENIOR CITIZENS

Senior citizens who cannot afford their property taxes may be able to utilize the Senior Citizen Property Tax Deferral Program. To be eligible, you or your spouse must be age 65 or older and your household income must be \$60,000 or less. A portion of your property taxes may be deferred under the program, but the deferred tax must eventually be repaid to the state either by the homeowner or their heirs. More information is available by contacting your county auditor or

www.revenue.state.mn.us.

FILE AND CHECK STATUS

To file your property tax refund application or check on the status of your refund, visit:

www.revenue.state.mn.us and
click on "Property Tax Refund."
Call 1-800-652-9094
or 651-296-3781

Stay Connected

Check out the DOR's short tax tip video about filing for your property tax refund.

www.youtube.com/watch?v=fU9rde_47WA

Get the latest news and updates from the Minnesota Department of Revenue by following the department on Facebook

www.facebook.com/mnrevenue

and Twitter

twitter.com/mnrevenue

or by signing up for our email subscription list.

<https://public.govdelivery.com/accounts/MNREV/subscriber/new>

Questions?

Please contact the Department of Revenue at
(651) 296-3781

or by e-mail at
individual.incometax@state.mn.us

You can also check the status of your refund by calling
(651) 296-4444

or visit
www.revenue.state.mn.us
and click on
Where is my property tax refund?